

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:2993

ANSWERED ON:06.12.2007

CITY GAS DISTRIBUTION NETWORKS

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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Petroleum and Natural Gas Board issues draft guidelines to select public and private entities for developing city gas distribution networks in the country;
- (b) if so, the details in this regard; and
- (c) the steps taken by the Government for the development of city gas distribution networks in different parts of the country in a systematic manner?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) & (b): The Petroleum & Natural Gas Regulatory Board has placed draft regulations for authorizing development of city or local distribution networks on the web site www.engineersindia.com on 15th November 2007. The draft regulations inter alia contain the procedure and the criteria for selection of an entity for developing city or local natural gas distribution project. Comments of stakeholders, experts and general public on the draft regulations have been sought upto 21st December 2007. The draft regulations shall be finalized after taking into account the comments received.

(c): GAIL has formed 8 Joint Venture Companies with leading OMCs or with strategic partners to implement city gas distribution projects. In order to encourage investment from both public and private sector, and to provide a non-discriminatory regulatory framework, Government has enacted 'The Petroleum & Natural Gas Regulatory Board Act, 2006' and notified 'Policy for Development of Natural Gas Pipelines and City or Local Natural Gas Distribution Networks'.